

Message Text

CONFIDENTIAL

PAGE 01 JIDDA 02340 011456Z

51

ACTION EB-11

INFO OCT-01 AF-10 ARA-16 EUR-25 EA-11 NEA-10 IO-14 ISO-00

AEC-11 AID-20 CEA-02 CIAE-00 CIEP-02 COME-00 DODE-00

FEA-02 FPC-01 H-03 INR-10 INT-08 L-03 NSAE-00 NSC-07

OMB-01 PM-07 RSC-01 SAM-01 SCI-06 SP-03 SS-20 STR-08

TRSE-00 DRC-01 /215 W

----- 127489

R 011340Z MAY 74

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 6919

INFO AMEMBASSY AMMAN

AMEMBASSY BERN

AMEMBASSY BRUSSELS

AMEMBASSY CARACAS

AMCONSUL DHAHRAN

USMISSION GENEVA

AMEMBASSY JAKARTA

AMEMBASSY KHARTOUM

AMEMBASSY KUWAIT

AMEMBASSY LAGOS

AMEMBASSY LIBERVILLE

AMEMBASSY LONDON

USMISSION OECD PARIS

AMEMBASSY PORT OF SPAIN

AMEMBASSY TEHRAN

AMEMBASSY TOKYO

AMEMBASSY TRIPOLI

AMEMBASSY QUITO

AMEMBASSY VIENNA

AMEMBASSY TEL AVIV

AMEMBASSY BEIRUT

AMEMBASSY CAIRO

USINT BAGHDAD

C O N F I D E N T I A L JIDDA 2340

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 JIDDA 02340 011456Z

E.O.: 11652: GDS
TAGS: ENRG, SA
SUBJ: PETROLEUM: PRICE/PRODUCTION

REF : A. JIDDA 2022 (NOTAL)
B. VIENNA 3738 (NOTAL)

1. EMBASSY HAS LEARNED THAT MODEL OF PRICE/PRODUCTION LEVELS THROUGH NEXT TEN YEARS ORDERED BY CENTRAL PLANNING ORGANIZATION FROM STANFORD RESEARCH (REFTEL A) ALSO INCLUDES FOLLOWING TENTATIVE CONCLUSIONS: LEVELS OF SAUDI PRODUCTION TO MAXIMIZE VALUE OF OIL IN RESERVOIRS MAY BE AS LOW AS THREE MILLION B/D AND NO HIGHER THAN 8 MILLION B/D. STUDY KEYED TO EFFECTS OF DIFFERING LEVELS ON PRICE STRUCTURE WORLDWIDE. OPEC SOURCES (AND PERHAPS EVEN SOME OF SAUDI OIL EXPERTS) PROBABLY ARE UNAWARE OF EXISTENCE OF 500-PAGE STUDY. STUDY IS NOW BEING REVIEWED BY A FOREIGN CONSULTANT TO SAUDI GOVERNMENT WHO IS CHECKING PROGRAMMING AND RATIONALIZATION OF LEVELS OF PRODUCTION EXPECTED FROM OTHER PRODUCERS.

2. COPY OF STUDY HAS FALLEN INTO HANDS OF EXXON IN NEW YORK WHO ARE REPORTEDLY FURIOUS OVER CONCLUSIONS. WE ARE ALSO MOST CONCERNED.
AKINS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM PRODUCTION, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974JIDDA02340
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740104-0361
From: JIDDA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740583/aaaacwmh.tel
Line Count: 86
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: A. JIDDA 2022 (NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 19 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 MAR 2002 by smithrj>; APPROVED <07 MAY 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PETROLEUM: PRICE/PRODUCTION
TAGS: ENRG, SA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005